



Testimony in Support of Increasing the County Executive's FY 23 Operating Budget for Community Grants and Contracts

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Council President Albornoz and Councilmembers, thank you for the opportunity to present testimony this afternoon on behalf of Easterseals serving the District of Columbia, Maryland, and Virginia. Easterseals strongly supports an increase from 6% to 10% in the County Executive's FY 23 Operating Budget for community grants, contracts in departmental base budgets, and competitive and sole source multi-year contracts, and encourages the Council to also support this increase.

Easterseals provides essential services and on-the-ground supports to people of all ages with disabilities, special needs, veterans, and their families in Montgomery County and throughout Maryland, the District of Columbia, and Northern Virginia. These programs include adult day services, child development services, respite care, behavioral healthcare for veterans, and employment services operated from the Harry and Jeanette Weinberg Inter-Generational Center in Silver Spring.

Easterseals recognizes the extraordinary partnership between Montgomery County and its support for the nonprofit community in delivering critical services throughout the COVID-19 pandemic and helping residents recover from the lingering impacts of this public health crisis.

However, nonprofits like ours, already overextended to meet the needs of the community during the pandemic, continue to struggle to meet the many needs of the community and sustain the level of service their clients require. Federal relief for nonprofits has diminished while the demand for services has intensified.

In addition, the disruption in the labor market caused by the pandemic has forced nonprofits to compete with private and public sector employers who can pay better wages. Right here in Montgomery County, the minimum wage for mid-sized nonprofits rose 12% between 2019 and 2021. A recent survey by the National Council of Nonprofits reported that 42% of nonprofits had job openings for 20% or more of their positions, and that the top reason identified as a factor was salary competition.

In our organization, we currently have 65 job openings for professionals such as teachers, psychologists, and nurses right alongside drivers who provide transportation for our clients. These labor shortages and competition for staff have profound consequences for those who depend on our services. In just one instance, it has resulted in a waiting list for our early childhood program, where we were unable to open classrooms because of a shortage of teachers caused, in part, by competition created by the District of Columbia's new early childhood teacher wage tax, the revenue from which increased those teachers' salaries in the District by \$10,000 to \$14,000.

A 10% inflationary increase applied to all county nonprofit contracts, such as those Easterseals receives to provide medical adult day services for low-income residents with special needs and inclusive early childhood education/early detection for children from six weeks to five years of age, would be an enormous help in mitigating the challenges our community faces and in sustaining critical services in these unprecedented times.

We urge your support of an increase in the County Executive's FY 23 Operating Budget from 6% to 10% for community grants, contracts in departmental base budgets, and competitive and sole source multi-year contracts.

Thank you.